

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that House Bill 1067 be amended to read as follows:

- 1           Page 5, between lines 10 and 11, begin a new paragraph and insert:  
2           "SECTION 5. IC 6-3.5-1.1-12 IS AMENDED TO READ AS  
3           FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 12. (a) The part  
4           of a county's certified distribution for a calendar year that is to be used  
5           as property tax replacement credits shall be allocated by the county  
6           auditor among the civil taxing units and school corporations of the  
7           county.  
8           (b) Except as provided in section 13 of this chapter, the amount of  
9           property tax replacement credits that each civil taxing unit and school  
10          corporation in a county is entitled to receive during a calendar year  
11          equals the product of:  
12           (1) that part of the county's certified distribution that is dedicated  
13           to providing property tax replacement credits for that same  
14           calendar year; multiplied by  
15           (2) a fraction:  
16           (A) The numerator of the fraction equals the ~~sum of the total~~  
17           ~~property taxes being collected by the civil taxing unit or school~~  
18           ~~corporation~~ **civil taxing unit's or school corporation's**  
19           **maximum permissible property tax levy** during that  
20           calendar year, plus with respect to a civil taxing unit, the  
21           amount of federal revenue sharing funds and certified shares  
22           received by it during that calendar year to the extent that they  
23           are used to reduce its property tax levy below the limit  
24           imposed by IC 6-1.1-18.5 for that same calendar year.

(B) The denominator of the fraction equals the ~~sum of the total property taxes being collected by all civil taxing units and school corporations;~~ **maximum permissible property tax levies of all civil taxing units and school corporations in the county**, plus the amount of federal revenue sharing funds and certified shares received by all civil taxing units in the county to the extent that they are used to reduce the civil taxing units' property tax levies below the limits imposed by IC 6-1.1-18.5 for that same calendar year.

**However, if the amount of property tax replacement credits that a civil taxing unit or a school corporation in a county is entitled to receive during a calendar year is less than the property tax replacement credits that the unit or school corporation received in 1999, then for those civil taxing units or school corporations that would otherwise receive property tax replacement credits greater than the credits received in 1999, the amount of credits in excess of the 1999 credit amounts shall be proportionally reduced (based on maximum permissible property tax levies).**

(c) The state board of tax commissioners shall provide each county auditor with the amount of property tax replacement credits that each civil taxing unit and school corporation in the auditor's county is entitled to receive. The county auditor shall then certify to each civil taxing unit and school corporation the amount of property tax replacement credits it is entitled to receive (after adjustment made under section 13 of this chapter) during that calendar year. The county auditor shall also certify these distributions to the county treasurer.

SECTION 6. IC 6-3.5-1.1-15, AS AMENDED BY P.L.273-1999, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 15. (a) As used in this section, "attributed levy" of a civil taxing unit means the sum of:

- (1) the ~~ad valorem~~ **maximum permissible** property tax levy of the civil taxing unit ~~that is currently being collected~~ at the time the allocation is made; plus
- (2) the ~~current~~ **maximum permissible** ad valorem property tax levy of any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit; plus
- (3) the amount of federal revenue sharing funds and certified shares that were used by the civil taxing unit (or any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit) to reduce its ad valorem property tax levies below the limits imposed by IC 6-1.1-18.5; plus
- (4) in the case of a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and

welfare administration fund.

(b) The part of a county's certified distribution that is to be used as certified shares shall be allocated only among the county's civil taxing units. Each civil taxing unit of a county is entitled to receive a percentage of the certified shares to be distributed in the county equal to the ratio of its attributed levy to the total attributed levies of all civil taxing units of the county. **However, if the amount of certified shares that a civil taxing unit is entitled to receive during a calendar year is less than the certified shares that the unit received in 1999, then for those civil taxing units that would otherwise receive certified shares greater than the certified shares received in 1999, the amount of certified shares in excess of the 1999 certified share amounts shall be proportionally reduced (based on maximum permissible property tax levies).**

(c) The local government tax control board established by IC 6-1.1-18.5-11 shall determine the attributed levies of civil taxing units that are entitled to receive certified shares during a calendar year. If the ~~ad valorem~~ **maximum permissible** property tax levy of any special taxing district, authority, board, or other entity is attributed to another civil taxing unit under subsection (b)(2), then the special taxing district, authority, board, or other entity shall not be treated as having an attributed levy of its own. The local government tax control board shall certify the attributed levy amounts to the appropriate county auditor. The county auditor shall then allocate the certified shares among the civil taxing units of his county.

(d) Certified shares received by a civil taxing unit shall be treated as additional revenue for the purpose of fixing its budget for the calendar year during which the certified shares will be received. The certified shares may be allocated to or appropriated for any purpose, including property tax relief or a transfer of funds to another civil taxing unit whose levy was attributed to the civil taxing unit in the determination of its attributed levy.

SECTION 7. IC 6-3.5-6-18, AS AMENDED BY P.L.273-1999, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 18. (a) The revenue a county auditor receives under this chapter shall be used to:

- (1) replace the amount, if any, of property tax revenue lost due to the allowance of an increased homestead credit within the county;
- (2) fund the operation of a public communications system and computer facilities district as provided in an election, if any, made by the county fiscal body under IC 36-8-15-19(b);
- (3) fund the operation of a public transportation corporation as provided in an election, if any, made by the county fiscal body under IC 36-9-4-42;
- (4) make payments permitted under IC 36-7-15.1-17.5;
- (5) make payments permitted under subsection ~~(f)~~; **(i)**; and

(6) make distributions of distributive shares to the civil taxing units of a county.

(b) The county auditor shall retain from the payments of the county's certified distribution, an amount equal to the revenue lost, if any, due to the increase of the homestead credit within the county. This money shall be distributed to the civil taxing units and school corporations of the county as though they were property tax collections and in such a manner that no civil taxing unit or school corporation shall suffer a net revenue loss due to the allowance of an increased homestead credit.

(c) The county auditor shall retain the amount, if any, specified by the county fiscal body for a particular calendar year under subsection ~~(f)~~, (i), IC 36-7-15.1-17.5, IC 36-8-15-19(b), and IC 36-9-4-42 from the county's certified distribution for that same calendar year. The county auditor shall distribute amounts retained under this subsection to the county.

(d) All certified distribution revenues that are not retained and distributed under subsections (b) and (c) shall be distributed to the civil taxing units of the county as distributive shares.

(e) The amount of distributive shares that each civil taxing unit in a county is entitled to receive during a month equals the product of the following:

(1) The amount of revenue that is to be distributed as distributive shares during that month; multiplied by

(2) A fraction. The numerator of the fraction equals the ~~total property taxes that are first due and payable to the civil taxing unit~~ **civil taxing unit's maximum permissible property tax levy** during the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund. The denominator of the fraction equals the sum of the ~~total property taxes that are first due and payable to~~ **maximum permissible property tax levies of all civil taxing units of the county during the calendar year in which the month falls, plus an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.**

**However, if the amount of distributive shares that a civil taxing unit is entitled to receive during a calendar year is less than the distributive shares that the unit received in 1999, then for those civil taxing units that would otherwise receive distributive shares greater than the distributive shares received in 1999, the amount of distributive shares in excess of the 1999 distributive share amounts shall be proportionally reduced (based on maximum permissible property tax levies).**

(f) The state board of tax commissioners shall provide each county auditor with the fractional amount of distributive shares that each civil

1     taxing unit in the auditor's county is entitled to receive monthly under  
2     this section.

3     (g) Notwithstanding subsection (e), if a civil taxing unit of an  
4     adopting county does not impose a property tax levy that is first due  
5     and payable in a calendar year in which distributive shares are being  
6     distributed under this section, that civil taxing unit is entitled to receive  
7     a part of the revenue to be distributed as distributive shares under this  
8     section within the county. The fractional amount such a civil taxing  
9     unit is entitled to receive each month during that calendar year equals  
10    the product of the following:

11       (1) The amount to be distributed as distributive shares during that  
12       month; multiplied by

13       (2) A fraction. The numerator of the fraction equals the budget of  
14       that civil taxing unit for that calendar year. The denominator of  
15       the fraction equals the aggregate budgets of all civil taxing units  
16       of that county for that calendar year.

17     (h) If for a calendar year a civil taxing unit is allocated a part of a  
18     county's distributive shares by subsection (g), then the formula used in  
19     subsection (e) to determine all other civil taxing units' distributive  
20     shares shall be changed each month for that same year by reducing the  
21     amount to be distributed as distributive shares under subsection (e) by  
22     the amount of distributive shares allocated under subsection (g) for that  
23     same month. The state board of tax commissioners shall make any  
24     adjustments required by this subsection and provide them to the  
25     appropriate county auditors.

26     ⊕ (i) Notwithstanding any other law, a county fiscal body may  
27     pledge revenues received under this chapter to the payment of bonds  
28     or lease rentals to finance a qualified economic development tax  
29     project under IC 36-7-27 in that county or in any other county if the  
30     county fiscal body determines that the project will promote significant  
31     opportunities for the gainful employment or retention of employment  
32     of the county's residents."

33       Page 7, between lines 6 and 7, begin a new paragraph and insert:

34       "SECTION 8. IC 6-3.5-7-12, AS AMENDED BY P.L.124-1999,  
35       SECTION 1, AND AS AMENDED BY P.L.273-1999, SECTION 74,  
36       IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
37       [EFFECTIVE JANUARY 1, 2001]: Sec. 12. (a) *Except as provided in*  
38       *section 23 of this chapter*, the county auditor shall distribute in the  
39       manner specified in this section the certified distribution to the county.

40       (b) Except as provided in subsections (c) and (h) and section 15 of  
41       this chapter, the amount of the certified distribution that the county and  
42       each city or town in a county is entitled to receive during May and  
43       November of each year equals the product of *the following*:

44       (1) The amount of the certified distribution for that month;  
45       multiplied by

46       (2) A fraction. The numerator of the fraction equals the *sum of the*

1 following:

2 (A) ~~Total property taxes that are first due and payable to The~~  
 3 **maximum permissible property tax levy of the county, city,**  
 4 or town during the calendar year in which the month falls; *plus*

5 (B) *For a county, an amount equal to the property taxes*  
 6 *imposed by the county in 1999 for the county's welfare fund*  
 7 *and welfare administration fund.*

8 The denominator of the fraction equals the sum of the ~~total~~  
 9 **property taxes that are first due and payable to maximum**  
 10 **property tax levies of the county and all cities and towns of the**  
 11 county during the calendar year in which the month falls, plus an  
 12 amount equal to the property taxes imposed by the county in 1999  
 13 for the county's welfare fund and welfare administration fund.

14 **However, if the amount of certified shares that a civil taxing unit**  
 15 **is entitled to receive during a calendar year is less than the certified**  
 16 **shares that the unit received in 1999, then for those civil taxing**  
 17 **units that would otherwise receive certified shares greater than the**  
 18 **certified shares received in 1999, the amount of certified shares in**  
 19 **excess of the 1999 certified share amounts shall be proportionally**  
 20 **reduced (based on maximum permissible property tax levies).**

21 (c) This subsection applies to a county council or county income tax  
 22 council that imposes a tax under this chapter after June 1, 1992. The  
 23 body imposing the tax may adopt an ordinance before July 1 of a year  
 24 to provide for the distribution of certified distributions under this  
 25 subsection instead of a distribution under subsection (b). The following  
 26 apply if an ordinance is adopted under this subsection:

27 (1) The ordinance is effective January 1 of the following year.

28 (2) The amount of the certified distribution that the county and  
 29 each city and town in the county is entitled to receive during May  
 30 and November of each year equals the product of:

31 (A) the amount of the certified distribution for the month;  
 32 multiplied by

33 (B) a fraction. For a city or town, the numerator of the fraction  
 34 equals the population of the city or the town. For a county, the  
 35 numerator of the fraction equals the population of the part of  
 36 the county that is not located in a city or town. The  
 37 denominator of the fraction equals the sum of the population  
 38 of all cities and towns located in the county and the population  
 39 of the part of the county that is not located in a city or town.

40 (3) The ordinance may be made irrevocable for the duration of  
 41 specified lease rental or debt service payments.

42 (d) The body imposing the tax may not adopt an ordinance under  
 43 subsection (c) if, before the adoption of the proposed ordinance, any of  
 44 the following have pledged the county economic development income  
 45 tax for any purpose permitted by IC 5-1-14 or any other statute:

46 (1) The county.

1 (2) A city or town in the county.

2 (3) A commission, a board, a department, or an authority that is  
3 authorized by statute to pledge the county economic development  
4 income tax.

5 (e) The state board of tax commissioners shall provide each county  
6 auditor with the fractional amount of the certified distribution that the  
7 county and each city or town in the county is entitled to receive under  
8 this section.

9 (f) Money received by a county, city, or town under this section  
10 shall be deposited in the unit's economic development income tax fund.

11 (g) *Except as provided in subsection (b)(2)(B)*, in determining the  
12 fractional amount of the certified distribution the county and its cities  
13 and towns are entitled to receive under subsection (b) during a calendar  
14 year, the state board of tax commissioners shall consider only property  
15 taxes imposed on tangible property subject to assessment in that  
16 county.

17 (h) In a county having a consolidated city, only the consolidated city  
18 is entitled to the certified distribution, subject to the requirements of  
19 section 15 of this chapter."

20 Renumber all SECTIONS consecutively.

(Reference is to HB 1067 as printed January 28, 2000.)

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Representative Thompson